

REPORT ON *TOP5* EXECUTION VENUES AND RELATED INFORMATION (period 01.01.2021. – 31.12.2021.)

In accordance with the Commission Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (hereinafter – Regulation 2017/565) and the Commission Delegated Regulation (EU) 2017/576 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution (hereinafter – RTS 28), this report provides information on five main execution venues and brokers (by trade volumes), which the joint stock company “Rietumu Banka” (hereinafter – the Bank) used in the calendar year 2021 with the purpose of execution of client orders, and the summary of execution quality.

Information is published in respect of every class of financial instruments.

If the Bank provides both the services of order execution, and reception and transmission of orders, two separate reports on these services are provided.

Information on top five execution venues is provided separately to private clients and to professional clients, allowing to qualitatively estimate flow of orders for such venues.

Instrument category	Shares, depository receipts and exchange traded products (ETP)				
Client status	Private client				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	Yes				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
NASDAQ OMX Riga – XRIS	55.56%	10.78%	0.00%	80%	20%
AS Rietumu Banka – 2138007F5HA5FFJROB80	44.44%	89.22%	0.00%	0.00%	100%

Order execution factors:

The Bank is a direct member of joint stock company NASDAQ Riga, and all orders related to this trade venue or where the Bank is a business partner are considered to be directly executed orders.

The first factor that is taken into account in execution of direct orders is the price of the order. Other execution factors are placed in relatively priority order which was normally followed when executing the client order:

- transaction volume;
- order execution speed;
- possibility of order execution;
- transaction expenses.

Conflicts of interest which may potentially occur, when executing or transferring for execution client orders in execution venues which are closely related to the Bank, are managed in accordance with the Bank's Excerpt from Conflicts of Interest Management Policy, when providing investment services, which is published on the Bank's website.

In the reporting period the Bank has neither granted nor received remunerations, discounts or non-material benefits from execution venues or brokers.

In order to compare and monitor the quality of execution of third-party brokers, the Bank used the publicly available market data.

Instrument category	Debt instruments				
Client status	Private clients				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	No				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
BANCA ZARATTINI & CO. SA – 213800INM3OFHF9QS122	39.55%	40.67%	80.11%	19.89%	0.00%
Bridport & Cie SA – 213800VGFKO4K5IJUI20	16.40%	14.64%	76.71%	23.29%	0.00%
SHORE CAPITAL STOCKBROKERS LIMITED – 2138009KZO3MK7TV6372	13.71%	7.12%	86.89%	13.11%	0.00%
REUSS PRIVATE AG – 2138006B1AY18VCA6K15	10.11%	8.00%	86.67%	13.33%	0.00%
AS Rietumu Banka – 2138007F5HA5FFJROB80	6.52%	1.86%	96.55%	3.45%	0.00%

Instrument category	Debt instruments				
Client status	Professional clients				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	Yes				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
BANCA ZARATTINI & CO. SA – 213800INM3OFHF9QS122	36.11%	42.95%	53.85%	46.15%	0.00%
REUSS PRIVATE AG – 2138006B1AY18VCA6K15	16.67%	10.58%	66.67%	33.33%	0.00%
BRIDPORT & CIE S.A. – 213800VGFKO4K5IJUI20	11.11%	13.02%	25.00%	75.00%	0.00%
SHORE CAPITAL STOCKBROKERS LIMITED – 2138009KZO3MK7TV6372	11.11%	7.32%	75.00%	25%	0.00%
CREDIT SUISSE SECURITIES (EUROPE) LIMITED – DL6FFRRLF74S01HE2M14	2.78%	2.52%	0%	100%	0.00%

Order execution factors:

In the reporting period the Bank has executed the client orders as an agent with third-party brokers. The Bank has evaluated various factors for execution of orders, taking into account the price as the first factor. Other execution factors are placed in relatively priority order which was followed, when executing the client order:

- possibility of order execution;
- transaction volume;
- order execution speed;
- transaction costs.

If the Bank executes orders on behalf of professional clients, it reasonably considers various execution factors during the execution according to execution criteria, where the price is not considered a priority factor and first of all the Bank evaluates the speed and accuracy of order execution, however, it does not mean that the order is not executed on terms that are most favourable to the client.

Conflicts of interest which may potentially occur, when executing or transferring for execution client orders in execution venues which are closely related to the Bank, are managed in accordance with the Bank’s Excerpt from Conflicts of Interest Management Policy, when providing investment services, which is published on the Bank’s website.

In the reporting period the Bank has neither granted nor received remunerations, discounts or non-material benefits from execution venues or brokers.

In order to compare and monitor the quality of execution of third-party brokers, the Bank used the publicly available market data.

Instrument category	Currency (FX) Forward Contract				
Client status	Private clients				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	Yes				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%	100%	0.00%	0.00%

Instrument category	Currency (FX) Forward Contract				
Client status	Professional clients				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	Yes				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%	100%	0.00%	0.00%

Order execution factors:

The Bank has evaluated various factors for directly executed orders, taking into account the price as the first factor. Other execution factors are placed in relatively priority order which was followed, when executing the client order:

- transaction volume;
- order execution speed;
- possibility of order execution;
- transaction costs.

Conflicts of interest which may potentially occur, when executing client orders in execution venues which are closely related to the Bank, are managed in accordance with the Bank’s Excerpt from Conflicts of Interest Management Policy, when providing investment services, which is published on the Bank’s website.

In the reporting period the Bank has neither granted nor received remunerations, discounts or non-material benefits from execution venues or brokers.

In order to compare and monitor the quality of execution of third-party brokers, the Bank used the publicly available market data.

Instrument category	Units/Shares in collective investment undertaking				
Client status	Private clients				
Type of execution	Directly executed orders				
Statement, whether in the previous year on average < 1 trade deal per business day	Yes				
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective category	Percentage of passive orders	Percentage of aggressive orders	Percentage of diverted orders
Rietumu Asset Management AS IPS – 25490014NNOV5OEJMQ38	92.00%	70.53%	0.00%	100%	0.00%
Raiffeisen Bank International AG – 9ZHRYM6F437SQJ6OUG95	4.00%	29.14%	0.00%	100%	0.00%
Franklin Templeton International services S.a.r.l. – 549300PVL6CYCWSH9C53	4.00%	0.34%	0.00%	100%	0.00%

Order execution factors:

In the reporting period the Bank has executed the client orders as an agent with third-party business partner. The Bank has evaluated various factors for directly executed orders, taking into account the price as the first factor. Other execution factors are placed in relatively priority order which normally was followed, when executing the client order:

- transaction volume;
- order execution speed;
- possibility of order execution;
- transaction costs.

Conflicts of interest which may potentially occur, when executing or transferring for execution client orders in execution venues which are closely related to the Bank, are managed in accordance with the Bank's Excerpt from Conflicts of Interest Management Policy, when providing investment services, which is published on the Bank's website.

In the reporting period the Bank has neither granted nor received remunerations, discounts or non-material benefits from execution venues or brokers.

In order to compare and monitor the quality of execution of third-party brokers, the Bank used the publicly available market data.

Instrument category	Securities financing transactions - Shares, depository receipts and exchange traded products (ETP)	
Client status	Private clients	
Type of execution	Directly executed orders	
Statement, whether in the previous year on average < 1 trade deal per business day	Yes	
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%

Instrument category	Securities financing transactions - Shares, depository receipts and exchange traded products (ETP)	
Client status	Professional clients	
Type of execution	Directly executed orders	
Statement, whether in the previous year on average < 1 trade deal per business day	Yes	
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%

Instrument category	Securities financing transactions - Debt instruments	
Client status	Private clients	
Type of execution	Directly executed orders	
Statement, whether in the previous year on average < 1 trade deal per business day	Yes	
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%

Instrument category	Securities financing transactions - Debt instruments	
Client status	Professional clients	
Type of execution	Directly executed orders	
Statement, whether in the previous year on average < 1 trade deal per business day	Yes	
Top five execution venues placed by trade volumes (in descending order)	Percentage of trade volume, expressed as a percentage of total amount in a respective category	Percentage of executed transactions expressed as a percentage from total number in a respective
AS Rietumu Banka – 2138007F5HA5FFJROB80	100%	100%

Securities financing transactions – the sum of money (a margin loan) granted by the Bank according to the Client’s Order for the purchase of financial instruments against the Investment Asset and/or the financial collateral of the financial instruments to be purchased. These transactions do not imply a transfer of ownership. The margin loan is granted in the framework of the Terms and Conditions of JSC “Rietumu Banka” and Client Agreement.